

Financial Report



May 2012

Monthly Financial Report at a Glance

May 2012



Current Month	Year to Date	Reference
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GENERAL FUND

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POSITIVE

= Positive variance or negative variance of less than 2% compared to seasonal trends.

WARNING

= Negative variance of 2% - 10% compared to seasonal trends.

NEGATIVE

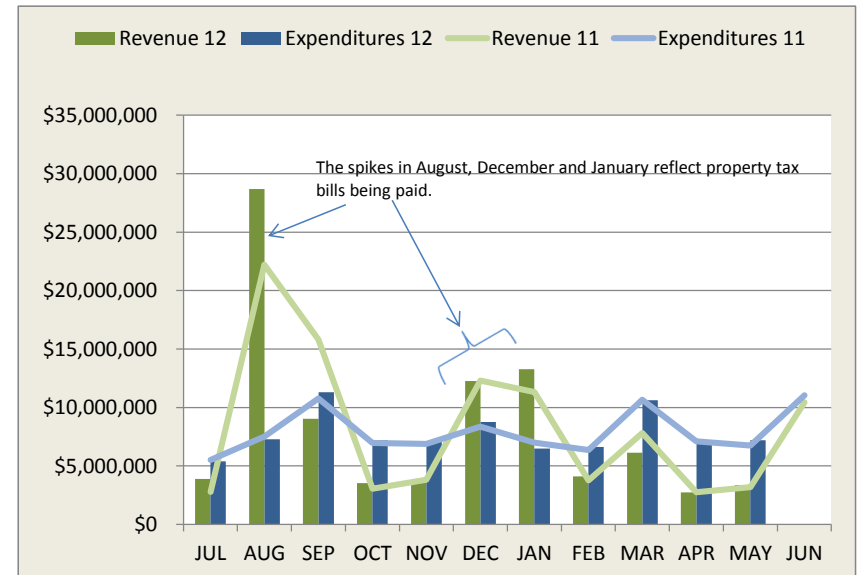
= Negative variance of greater than 10% compared to seasonal trends.

GENERAL FUND

FY 2011-12 REVENUE vs. EXPENDITURES

	<u>2011-12 Revenue</u>	<u>% of Budget</u>	<u>2011-12 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$3,883,307		\$5,381,808		(\$1,498,501)
AUG	\$28,691,648		\$7,288,861		\$21,402,787
SEP	\$9,016,248		\$11,300,661		(\$2,284,413)
OCT	\$3,528,436		\$7,186,297		(\$3,657,861)
NOV	\$3,651,189		\$7,091,959		(\$3,440,770)
DEC	\$12,249,933		\$8,751,154		\$3,498,779
JAN	\$13,258,976		\$6,496,132		\$6,762,844
FEB	\$4,089,496		\$6,633,160		(\$2,543,664)
MAR	\$6,137,138		\$10,627,675		(\$4,490,537)
APR	\$2,746,631		\$7,017,759		(\$4,271,128)
MAY	\$3,366,007		\$7,199,745		(\$3,833,738)
JUN					
TOTAL	\$90,619,009	90%	\$84,975,211	82%	\$5,643,798
Budget	\$100,938,694		\$103,807,396		\$2,868,702 *

*reflects appropriated Fund Balance

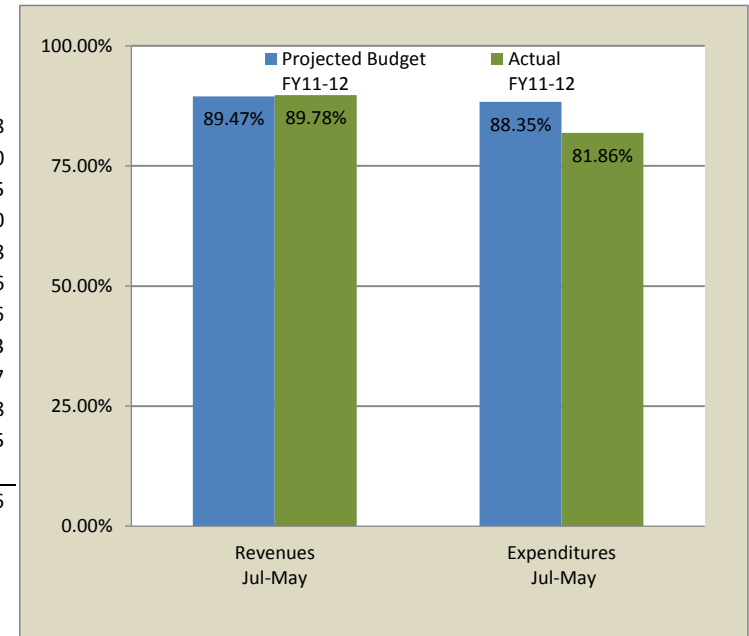


Revenues for eleven months into the fiscal year are 2.1% above revenues from the same period last year. Revenues in the General Fund are \$5.6 million above expenditures through the eleventh month of the fiscal year. For the month, expenditures exceeded revenues by \$3.8 million. Expenditures are on track at 82% of budget with 92% of the fiscal year being completed and revenues are behind the target at 90%.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS

	2011-12 Actual Revenue	2011-12 Budget Revenue	Variance	2011-12 Actual Expenses	2011-12 Budget Expenses	Variance
JUL	\$3,883,307	\$2,823,429	\$1,059,878	\$5,381,808	\$6,040,636	\$658,828
AUG	\$28,691,648	\$22,600,394	\$6,091,254	\$7,288,861	\$8,208,161	\$919,300
SEP	\$9,016,248	\$16,074,674	(\$7,058,426)	\$11,300,661	\$11,770,706	\$470,045
OCT	\$3,528,436	\$3,110,241	\$418,195	\$7,186,297	\$7,630,427	\$444,130
NOV	\$3,651,189	\$3,882,773	(\$231,584)	\$7,091,959	\$7,515,397	\$423,438
DEC	\$12,249,933	\$12,513,042	(\$263,109)	\$8,751,154	\$9,153,550	\$402,396
JAN	\$13,258,976	\$11,513,397	\$1,745,579	\$6,496,132	\$7,640,188	\$1,144,056
FEB	\$4,089,496	\$3,823,918	\$265,578	\$6,633,160	\$6,957,653	\$324,493
MAR	\$6,137,138	\$7,940,949	(\$1,803,811)	\$10,627,675	\$11,660,692	\$1,033,017
APR	\$2,746,631	\$2,795,831	(\$49,200)	\$7,017,759	\$7,760,857	\$743,098
MAY	\$3,366,007	\$3,231,661	\$134,346	\$7,199,745	\$7,379,710	\$179,965
JUN						
Total	\$90,619,009	\$90,310,310	\$308,699	\$84,975,211	\$91,717,977	\$6,742,766



This chart illustrates the percentage of revenues and expenditures through eleven months of fiscal year 2011-12, actuals compared to projected budget. Revenues for May are slightly ahead of what would be expected for this period. For the year revenues are \$308,699 ahead of expectations.

Expenditures are \$179,965 behind projected budget for May. For the year expenditures are \$6.7 million behind projected budget through May.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- PROPERTY TAX

Property Taxes - Cumulative					
	<u>2011-12</u>	<u>% of</u>	<u>2010-11</u>	<u>% of</u>	<u>Net</u>
		<u>Budget</u>		<u>Budget</u>	<u>Difference</u>
JUL	\$2,408,542		\$1,293,982		\$1,114,560
AUG	\$27,101,420		\$20,523,575		\$6,577,845
SEP	\$4,040,012		\$9,001,389		(\$4,961,377)
OCT	\$1,322,431		\$1,206,946		\$115,485
NOV	\$1,387,305		\$1,645,451		(\$258,146)
DEC	\$5,884,680		\$6,701,285		(\$816,605)
JAN	\$11,043,289		\$9,743,984		\$1,299,305
FEB	\$1,900,847		\$1,752,106		\$148,741
MAR	\$977,686		\$1,342,778		(\$365,092)
APR	\$886,545		\$731,042		\$155,503
MAY	\$498,008		\$628,123		(\$130,115)
JUN					
TOTAL	\$57,450,765	100.5%	\$54,570,661	99.2%	\$2,880,104

Projected \$57,187,197 \$55,037,750



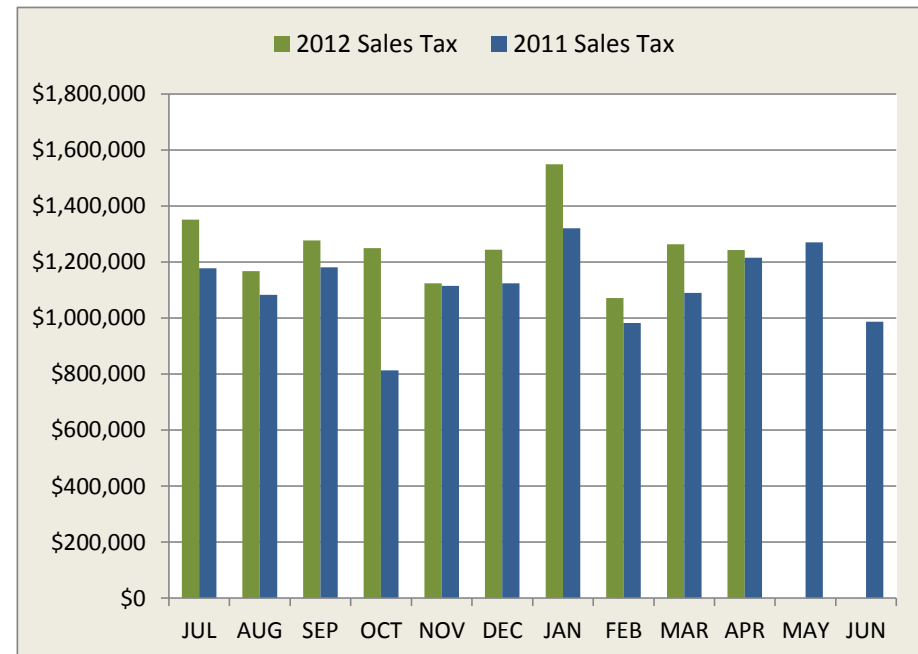
May 2012 property tax receipts were \$498,008 which reflects an decrease of 20.7% over May 2011. Through eleven months, \$2.9 million more cumulative property taxes have been received as compared to the same period last fiscal year.

Historically, 4 months of the fiscal year reflect the greatest property tax receipts – August and September and then December and January.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- SALES TAX

Sales Taxes					
	<u>2011-12</u>	<u>% of</u>	<u>2010-11</u>	<u>% of</u>	<u>Net</u>
		<u>Budget</u>		<u>Budget</u>	<u>Difference</u>
JUL	\$1,351,109		\$1,178,172		\$172,937
AUG	\$1,167,278		\$1,082,593		\$84,685
SEP	\$1,276,652		\$1,180,662		\$95,990
OCT	\$1,249,044		\$812,866		\$436,178
NOV	\$1,123,610		\$1,114,531		\$9,079
DEC	\$1,244,243		\$1,123,904		\$120,339
JAN	\$1,548,548		\$1,320,060		\$228,488
FEB	\$1,071,658		\$982,181		\$89,477
MAR	\$1,263,637		\$1,089,436		\$174,201
APR	\$1,242,925		\$1,214,796		\$28,129
MAY					
JUN					
TOTAL	\$12,538,704	87.1%	\$11,099,201	77.7%	\$1,439,503
Projected	\$14,388,815		\$14,280,780		



Sales taxes are collected by the State of North Carolina and distributed monthly. The receipts received in June are for April because tax distributions run on a 2 month delay (i.e. August receipts are distributed in October). April sales tax distributions again were above the same month in the prior year.

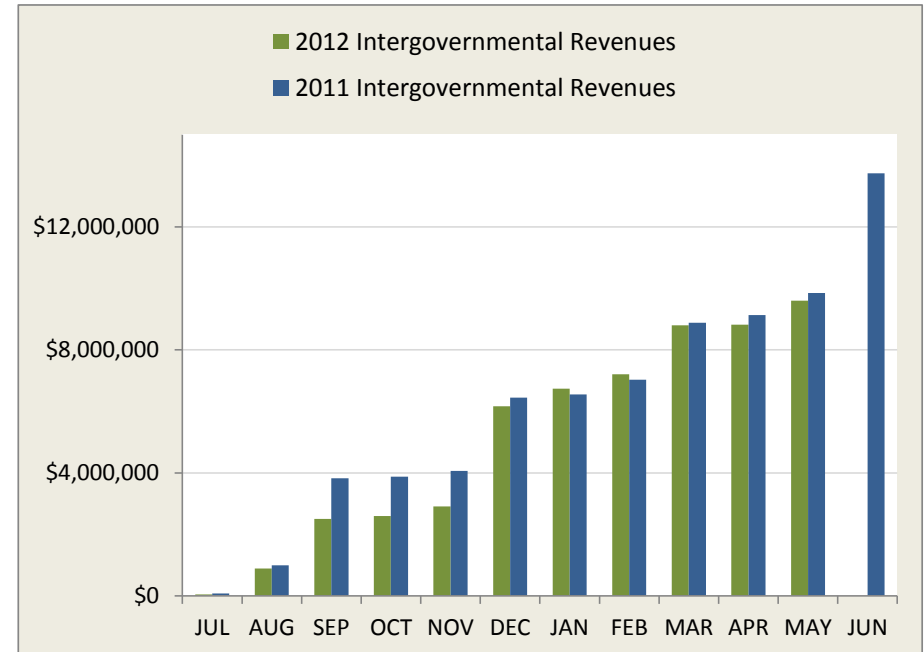
Receipts through April are 13.0% ahead of the prior year's receipts.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- INTERGOVERNMENTAL REVENUES

Intergovernmental Revenues - Cumulative

	<u>2011-12</u>	<u>% of</u> <u>Budget</u>	<u>2010-11</u>	<u>% of</u> <u>Budget</u>	<u>Net</u> <u>Difference</u>
JUL	\$42,845		\$73,753		(\$30,908)
AUG	\$844,228		\$921,239		(\$77,011)
SEP	\$1,609,559		\$2,826,911		(\$1,217,352)
OCT	\$102,676		\$55,225		\$47,451
NOV	\$312,491		\$187,415		\$125,076
DEC	\$3,252,511		\$2,385,684		\$866,827
JAN	\$577,634		\$105,623		\$472,011
FEB	\$465,661		\$472,442		(\$6,781)
MAR	\$1,592,619		\$1,855,856		(\$263,237)
APR	\$20,013		\$250,449		(\$230,436)
MAY	\$778,082		\$716,396		\$61,686
JUN					
TOTAL	\$9,598,319	79.1%	\$9,850,993	85.7%	(\$252,674)
Projected	\$12,134,604		\$11,499,729		



Intergovernmental revenues are those received by the City but collected by another governmental entity. Some of the major revenues include Powell Bill Highway Funds, Beer and Wine Tax, ABC Mixed Beverage Tax, Hold Harmless Reimbursement, and Utility Franchise Taxes received from the State of North Carolina. Many revenue sources are distributed on a quarterly, semi-annual, or annual basis.

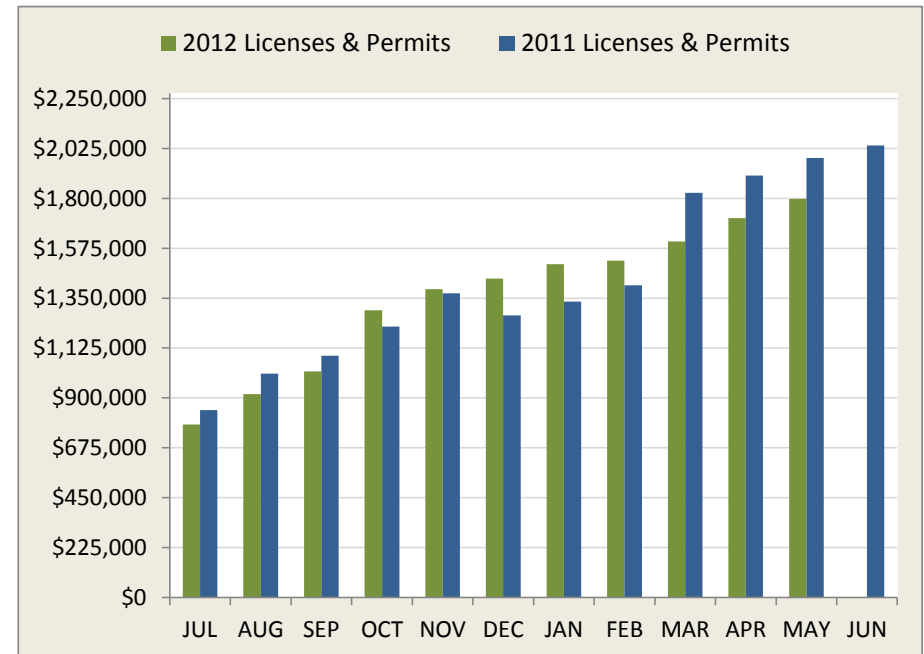
Through May these revenues are 2.6% behind last fiscal year at the same point, which is a very slight improvement. The State of North Carolina changed the Powell Bill distribution from an annual September distribution to a semi-annual reimbursement for half of the funds due to the City. The second half was received in December 2011. At 79.1% of budget, this revenue source is well below the budgeted projection of 92%.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- LICENSES & PERMITS

Licenses and Permits - Cumulative

	<u>2011-12</u>	<u>% of</u> <u>Budget</u>	<u>2010-11</u>	<u>% of</u> <u>Budget</u>	<u>Net</u> <u>Difference</u>
JUL	\$779,484		\$844,411		(\$64,927)
AUG	\$138,044		\$164,435		(\$26,391)
SEP	\$101,318		\$80,969		\$20,349
OCT	\$276,187		\$131,530		\$144,657
NOV	\$95,868		\$150,149		(\$54,281)
DEC	\$46,877		-\$99,077		\$145,954
JAN	\$66,036		\$62,293		\$3,743
FEB	\$15,599		\$73,298		(\$57,699)
MAR	\$86,625		\$416,578		(\$329,953)
APR	\$104,504		\$78,554		\$25,950
MAY	\$87,211		\$79,484		\$7,727
JUN					
TOTAL	\$1,797,753	99.6%	\$1,982,624	121.3%	(\$184,871)
Projected	\$1,804,900		\$1,634,000		



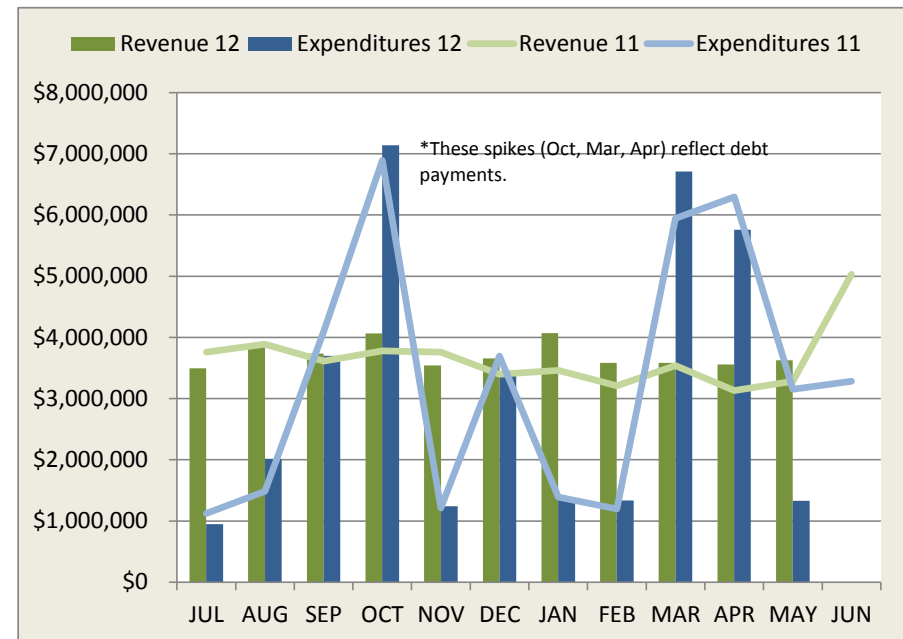
Licenses and Permits consist primarily of business license fees and building permits. Receipts through May are behind the same period last year by 9.3%. Business license fees are based on business sales receipts which can be indicative of the local economic climate.

Compared to budget, the licenses and permits category is 99.6% of the anticipated budget as compared to 121.3% for the same period in 2010-11.

WATER AND SEWER FUND

FY 2011-12 REVENUE vs. EXPENDITURES

	<u>2011-12 Revenue</u>	<u>% of Budget</u>	<u>2011-12 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$3,496,262		\$950,274		\$2,545,988
AUG	\$3,867,131		\$2,015,644		\$1,851,487
SEP	\$3,736,556		\$3,700,427		\$36,129
OCT	\$4,064,985		\$7,140,356		(\$3,075,371)
NOV	\$3,539,392		\$1,241,348		\$2,298,044
DEC	\$3,656,616		\$3,442,162		\$214,454
JAN	\$4,070,306		\$1,357,553		\$2,712,753
FEB	\$3,585,651		\$1,333,813		\$2,251,838
MAR	\$3,583,330		\$6,713,623		(\$3,130,293)
APR	\$3,555,789		\$5,759,383		(\$2,203,594)
MAY	\$3,627,497		\$1,328,657		\$2,298,840
JUN					
TOTAL	\$40,783,515	92%	\$34,983,240	79%	\$5,800,275
Budget	\$44,392,612		\$44,508,000		



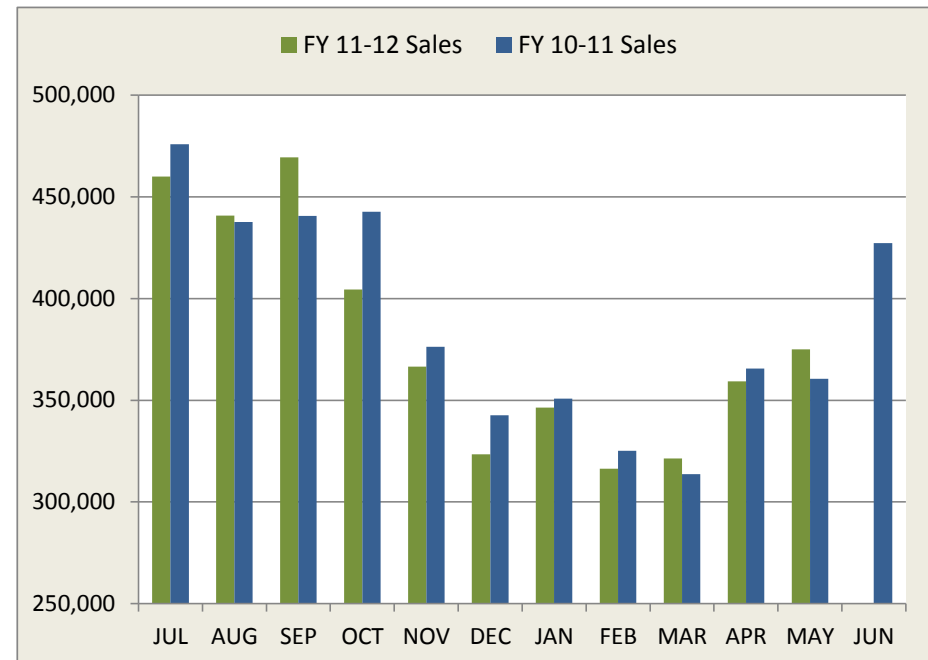
Revenues in the Water and Sewer Fund are \$2.3 million above expenditures in the eleventh month of the fiscal year. Revenues are 92% of budget, which is right on the target of 92%; expenditures are at 79%, which is well below the benchmark. For the year revenues are \$5.8 million ahead of expenditures.

WATER AND SEWER FUND

KEY WATER AND SEWER PERFORMANCE INDICATOR

Unit Water Sales*

	<u>2011-12</u>	<u>% of Budget</u>	<u>2010-11</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	459,969		475,814		(15,845)
AUG	440,780		437,615		3,165
SEP	469,473		440,613		28,860
OCT	404,414		442,752		(38,338)
NOV	366,456		376,345		(9,889)
DEC	323,466		342,543		(19,077)
JAN	346,377		350,863		(4,486)
FEB	316,304		325,173		(8,869)
MAR	321,375		313,607		7,768
APR	359,361		365,614		(6,253)
MAY	374,956		360,595		14,361
JUN					
TOTAL	4,182,931	88.5%	4,231,534	90.4%	(48,603)
Projected	4,725,000		4,680,000		



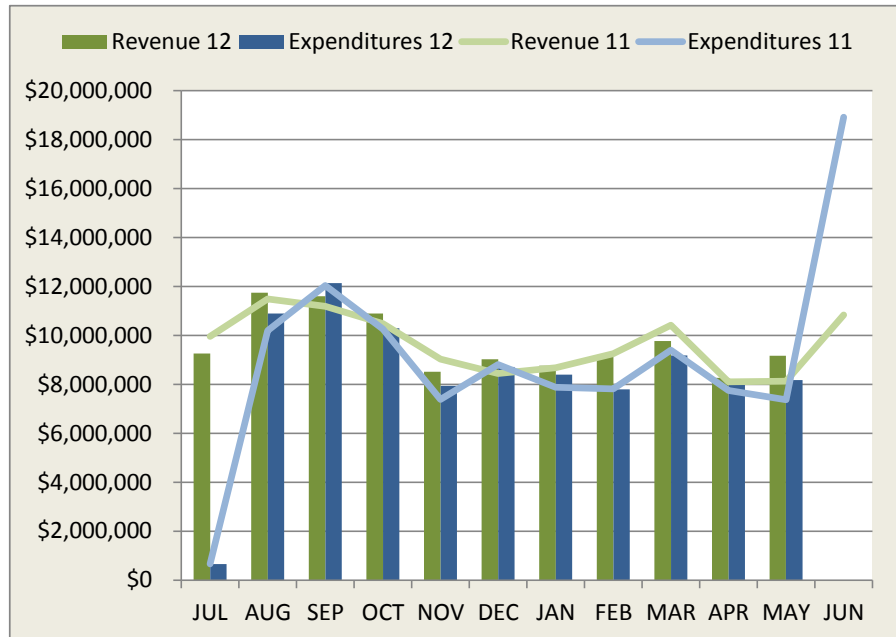
Water sales are 4.0% higher in the eleventh month of FY 11-12 as compared to the same time period in FY 10-11. This is one of the few months in a positive position over last year; therefore, this revenue source is still off of the 1% growth rate, which was projected for FY 11-12. Through May, water sales are 48,603 units or 1.1% below the same point in the last fiscal year.

*Water sales are reported in units. Each unit represents 748 gallons of water use.

ELECTRIC FUND

FY 2011-12 REVENUE vs. EXPENDITURES

	<u>2011-12 Revenue</u>	<u>% of Budget</u>	<u>2011-12 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$9,265,081		\$656,395		\$8,608,686
AUG	\$11,741,729		\$10,900,737		\$840,992
SEP	\$11,603,365		\$12,134,312		(\$530,947)
OCT	\$10,888,281		\$10,288,959		\$599,322
NOV	\$8,515,340		\$7,938,302		\$577,038
DEC	\$9,030,514		\$8,712,136		\$318,378
JAN	\$8,765,101		\$8,394,586		\$370,515
FEB	\$9,174,030		\$7,792,918		\$1,381,112
MAR	\$9,766,219		\$9,180,282		\$585,937
APR	\$8,269,603		\$8,214,042		\$55,561
MAY	\$9,171,372		\$8,178,039		\$993,333
JUN					
TOTAL	\$106,190,635	89%	\$92,390,708	72%	\$13,799,927
Budget	\$118,812,305		\$127,816,471		



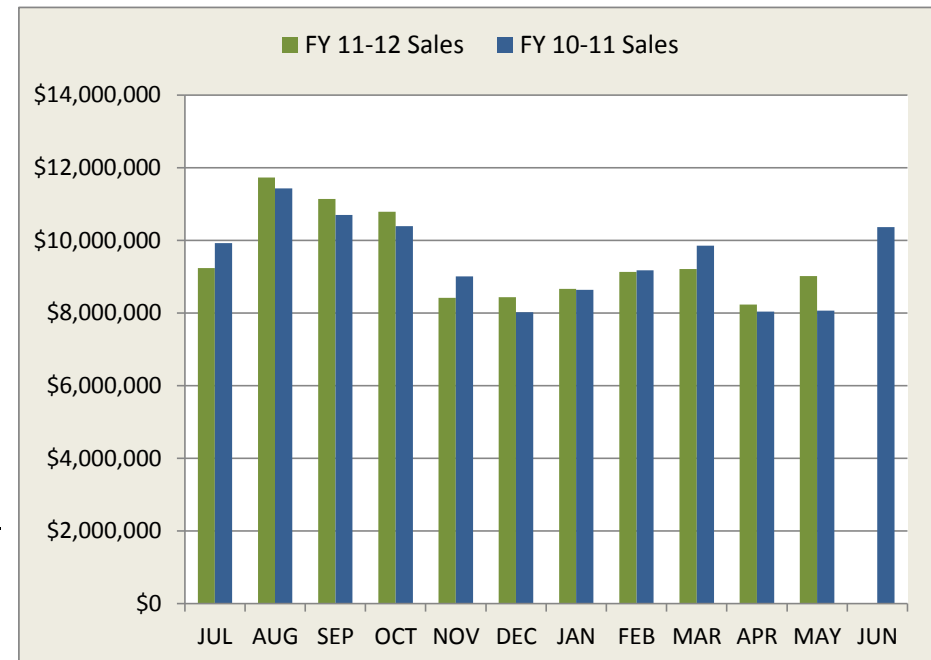
Revenues in the Electric Fund are \$106.2 million which is slightly ahead of the same period in the previous year and \$13.8 million ahead of expenditures through the eleventh month of the fiscal year. Expenditures for this period were higher than the same period last year. Expenditures for July do not include the wholesale power bill as that is received one month in arrears and will be credited back against the fund at the end of the fiscal year.

ELECTRIC FUND

KEY ELECTRIC FUND PERFORMANCE INDICATOR

Electric Charges for Service*

	<u>2011-12</u>	<u>% of</u> <u>Budget</u>	<u>2010-11</u>	<u>% of</u> <u>Budget</u>	<u>Net</u> <u>Difference</u>
JUL	\$9,234,792		\$9,923,062		(\$688,270)
AUG	\$11,734,395		\$11,436,806		\$297,589
SEP	\$11,145,146		\$10,704,034		\$441,112
OCT	\$10,786,513		\$10,394,249		\$392,264
NOV	\$8,423,423		\$9,006,373		(\$582,950)
DEC	\$8,441,232		\$8,024,288		\$416,944
JAN	\$8,668,395		\$8,638,699		\$29,696
FEB	\$9,129,225		\$9,173,912		(\$44,687)
MAR	\$9,212,206		\$9,853,493		(\$641,287)
APR	\$8,232,082		\$8,044,788		\$187,294
MAY	\$9,019,045		\$8,063,572		\$955,473
JUN					
TOTAL	\$104,026,454	96.0%	\$103,263,276	99.0%	\$763,178
Projected	\$108,380,823		\$104,320,734		



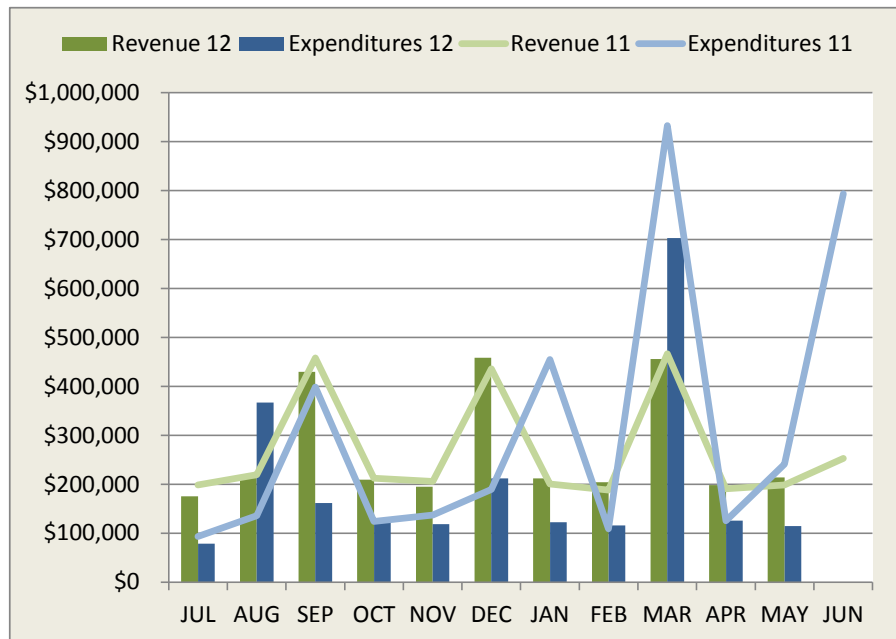
Electric charges for service are slightly higher than last month and are above the same period from last year. Through this point in the year, sales are \$763,178 above the same period last year.

* Charges for service include industrial, commercial and residential service.

STORM WATER FUND

FY 2011-12 REVENUE vs. EXPENDITURES

	<u>2011-12 Revenue</u>	<u>% of Budget</u>	<u>2011-12 Expenses</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$175,520		\$78,615		\$96,905
AUG	\$212,355		\$367,195		(\$154,840)
SEP	\$429,440		\$161,783		\$267,657
OCT	\$209,252		\$124,709		\$84,543
NOV	\$194,726		\$118,214		\$76,512
DEC	\$458,677		\$212,059		\$246,618
JAN	\$211,813		\$122,713		\$89,100
FEB	\$203,946		\$115,589		\$88,357
MAR	\$456,055		\$702,627		(\$246,572)
APR	\$198,439		\$125,837		\$72,602
MAY	\$213,810		\$114,695		\$99,115
JUN					
TOTAL	\$2,964,033	87%	\$2,244,036	56%	\$719,997
Budget	\$3,410,578		\$4,007,518		



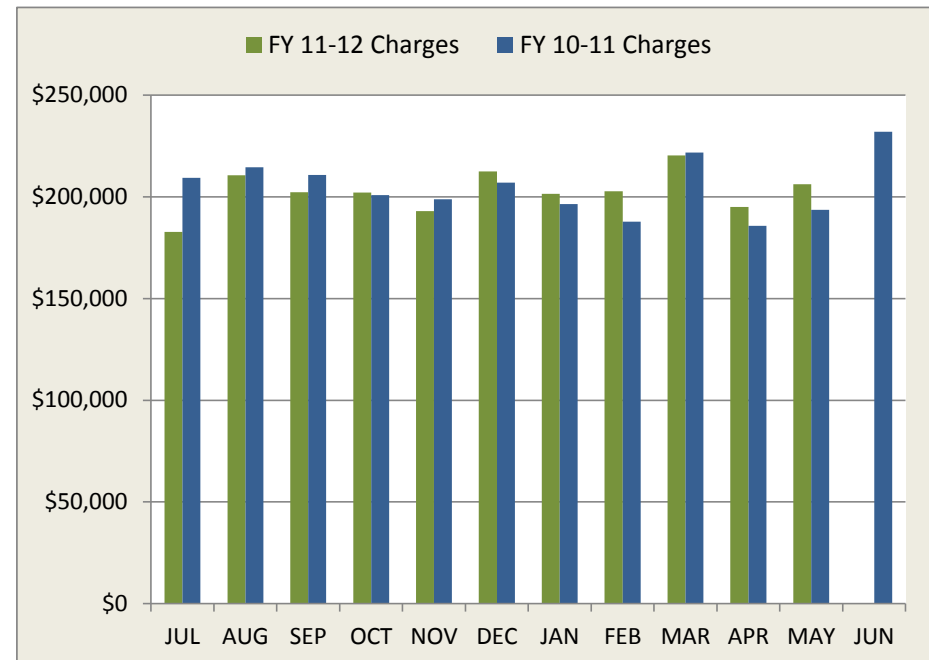
The Storm Water Fund is in a positive position through the eleventh month of the fiscal year with revenues over expenditures by \$719,997. Funds are being raised and maintained to support major storm water capital projects both later this year and in the future.

STORM WATER FUND

KEY STORM WATER FUND PERFORMANCE INDICATOR

Storm Water Charges for Service

	<u>2011-12</u>	<u>% of Budget</u>	<u>2010-11</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$182,719		\$209,370		(\$26,651)
AUG	\$210,683		\$214,569		(\$3,886)
SEP	\$202,282		\$210,818		(\$8,536)
OCT	\$202,175		\$200,809		\$1,366
NOV	\$192,965		\$198,847		(\$5,882)
DEC	\$212,535		\$207,071		\$5,464
JAN	\$201,565		\$196,460		\$5,105
FEB	\$202,701		\$187,749		\$14,952
MAR	\$220,306		\$221,721		(\$1,415)
APR	\$195,044		\$185,764		\$9,280
MAY	\$206,150		\$193,624		\$12,526
JUN					
TOTAL	\$2,229,125	92.7%	\$2,226,802	96.7%	\$2,323
Projected	\$2,404,397		\$2,301,897		



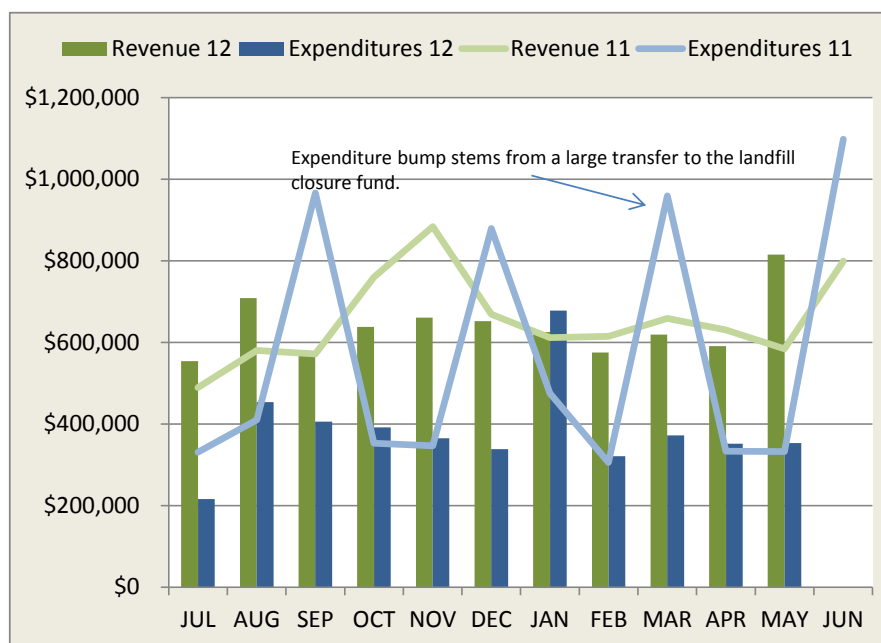
Storm Water charges for service are almost even through the eleventh month of FY 11-12 as compared to the same time period in FY 10-11. Charges for services at 92.7% of budget are just ahead of the budget benchmark of 92% for this point in the year.

LANDFILL FUND

FY 2011-12 REVENUE vs. EXPENDITURES

(Operating expenses exclude capital expenditures)

	2011-12 <u>Revenue</u>	% of <u>Budget</u>	2011-12 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$554,369		\$215,549		\$338,820
AUG	\$708,309		\$453,553		\$254,756
SEP	\$574,783		\$405,591		\$169,192
OCT	\$637,967		\$391,268		\$246,699
NOV	\$660,503		\$365,211		\$295,292
DEC	\$652,047		\$338,093		\$313,954
JAN	\$625,451		\$677,636		(\$52,185)
FEB	\$575,052		\$321,261		\$253,791
MAR	\$619,110		\$371,844		\$247,266
APR	\$590,684		\$352,020		\$238,664
MAY	\$815,456		\$353,261		\$462,195
JUN					
TOTAL	\$7,013,731	94%	\$4,245,287	87%	\$2,768,444
Budget	\$7,494,000		\$4,856,149		

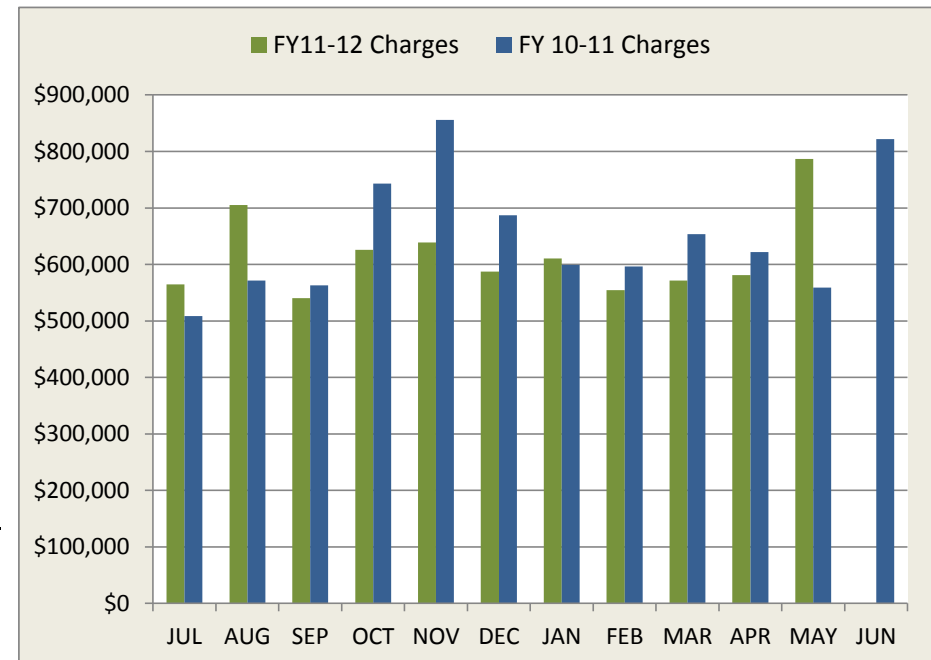


Revenues in the Landfill Fund for the eleventh month of FY 11-12 are \$815,456 which is 39.5% above the same period during the previous year. The jump in revenues comes from standard tipping fees as well as increased recycling sales. The WCA facility closed which has resulted, temporarily, in more people using our Kersey Valley facility. Revenues are 94% of budget which is above the budget benchmark of 92% for this point in the year. Expenditures are below this benchmark at 87%. Revenues are running well ahead of expenditures at this period.

LANDFILL FUND

KEY LANDFILL FUND PERFORMANCE INDICATOR

	<u>2011-12</u>	<u>% of Budget</u>	<u>2010-11</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$564,587		\$508,309		\$56,278
AUG	\$705,336		\$571,269		\$134,067
SEP	\$540,257		\$562,735		(\$22,478)
OCT	\$626,029		\$743,233		(\$117,204)
NOV	\$639,061		\$855,574		(\$216,513)
DEC	\$587,191		\$687,223		(\$100,032)
JAN	\$610,272		\$599,133		\$11,139
FEB	\$554,633		\$596,147		(\$41,514)
MAR	\$571,626		\$653,541		(\$81,915)
APR	\$580,808		\$622,017		(\$41,209)
MAY	\$786,408		\$559,112		\$227,296
JUN					
TOTAL	\$6,766,208	94.1%	\$6,958,293	107.1%	(\$192,085)
Projected	\$7,190,000		\$6,495,000		



Landfill charges for service through May 2012 are 2.8% below the same period in FY 10-11 but are slightly above budgeted projections. However, the month of May saw a nice jump in sales resulting in a 40.7% increase over the same month last fiscal year. The spikes seen in October and November of 2010 are from the sale of alum sludge from the water lagoons.